



## AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

December 5, 2012

### Quick Links

[MA-ACA Website](#)



These Updates, published by the Executive Office of Health and Human Services (EOHHS) in consultation with the other state agencies involved in ACA implementation, will bring you news related to the implementation of provisions of the ACA here in Massachusetts.

### Grants and Demonstrations

The ACA provides funding opportunities to transform how health care is delivered, expand access to care and support healthcare workforce training.

#### Grant Announcements

**Nurse Faculty Loan Program (NFLP), \$5311.** Announced November 30, 2012. Funding is available to establish and operate an interest-bearing NFLP loan fund. Accredited schools of nursing or a department within the institution that offers an eligible advanced graduate nursing education program are eligible to apply. Awardees will provide loans to registered nurses for the completion of their graduate education to become qualified nursing faculty. In addition, the NFLP provides loan cancellation for approximately 85% of borrowers that serve as full-time faculty for an approved period of time. Loans provided to eligible students cannot exceed \$35,500 per academic year for a maximum of 5 years. These funds may be used for tuition, fees, books, laboratory expenses and other reasonable educational costs. \$24M in 110 awards is available. Applications are due January 10, 2013.

The announcement can be viewed at: [HRSA](#)

**Advanced Nursing Education Program, \$5308.** Announced November 27, 2012. Funding is available to provide interprofessional education opportunities in the integration of care for individuals with Multiple Chronic Conditions (MCC) for advanced nursing education students. Schools of nursing, nursing centers, academic health centers, state or local governments, and nonprofit entities accredited by a national nurse education accrediting agency recognized by the Secretary of the U.S. Department of Education are eligible to apply. Successful applicants will use funds to address the health care needs of persons with MCC within the interprofessional education model and in the advanced nursing program. In addition, applicants will engage other health professionals and integrate the interprofessional education model into the curriculum. \$12M in 33 awards is available.

Applications are due February 1, 2013.

The announcement can be viewed at: [HRSA](#)

**Nurse Education, Practice, Quality and Retention Program- Interprofessional Collaborative Practice (IPCP), §5309.** Announced November 26, 2012. Funding is available to develop and/or expand on IPCP environments comprised of nursing and other professional disciplines. Accredited schools of nursing, health care facilities or a partnership between the two are eligible to apply. IPCP environments consist of a diverse set of professionals who effectively collaborate and communicate in order to increase access to care and improve patient and population-centered outcomes. Funding will be awarded to applicants that can foster the development of leadership skills in nurses, provide nursing students interprofessional training opportunities and demonstrate innovation in IPCP environments. \$10M in 39 awards is available.

Applications are due January 25, 2013.

The announcement can be viewed at: [HRSA](#)

**Health Workforce Research Center (HWRC) Program, §5103.** Announced November 26, 2012. Funding is available to research health workforce needs that will ensure access to care in order to inform federal, state and local decision-makers. States, state workforce investment boards, public health or health profession schools, academic health centers, or nonprofit entities that have experience in analyzing health workforce data and policy issues on a regional or national scale are eligible applicants. Two types of awards are available. Three research HWRCs will be funded to study and disseminate information on health workforce issues in one of the following areas: allied health, long-term care, behavioral health, oral health, or flexible use of health workers to improve delivery of care. One technical assistance HWRC will be funded to provide assistance to local, regional, and state entities in collecting, analyzing, or reporting on the health workforce needs. \$1.5M in 4 awards is available.

Applications are due January 7, 2013.

The announcement can be viewed at: [HRSA](#)

## Guidance

**11/30/12 IRS/Treasury issued a proposed rule and a notice of public hearing regarding "Net Investment Income Tax."** The proposed regulations provide guidance under ACA §1402(a)(1) effective for taxable years beginning after December 31, 2012. The proposed regulations affect individuals, estates, and trusts. A new Net Investment Income Tax goes into effect starting in 2013. The 3.8% Net Investment Income Tax applies to individuals, estates and trusts that have certain investment income above certain threshold amounts.

This document also provides information about a public hearing scheduled for April 2, 2013 on the proposed rules.

Comments are due March 5, 2013.

Read the rule (which was published in the Federal Register on December 5, 2012) at: <http://www.gpo.gov/fdsys/pkg/FR-2012-12-05/pdf/2012-29238.pdf>

**11/30/12 IRS/Treasury issued a proposed rule and a notice of public hearing regarding "Rules Relating to Additional Medicare Tax."** The proposed regulations relate to an Additional Hospital Insurance Tax on income above threshold amounts ("Additional Medicare Tax"), as added by ACA §10906 and §1401(b).

The 0.9% Additional Medicare Tax, which goes into effect beginning in 2013, applies to individuals' wages, other compensation, and self-employment income over certain thresholds. The threshold amounts are \$250,000 for married taxpayers who file jointly, \$125,000 for married taxpayers who file separately, and \$200,000 for all other taxpayers. Employers are responsible for withholding the tax from wages or compensation it pays to an employee in excess of \$200,000 in a calendar year.

Specifically, the proposed regulations provide guidance for employers and individuals relating to the implementation of the Additional Medicare Tax, including the requirement to withhold Additional Medicare Tax on certain wages and compensation, the requirement to file a return reporting Additional Medicare Tax, the employer process for adjusting underpayments and overpayments of Additional Medicare Tax, and the employer and employee processes for filing a claim for refund of Additional Medicare Tax.

This document also provides information about a public hearing scheduled for April 4, 2013 on the proposed rules.

Comments are due March 5, 2013.

Read the rule (which was published in the Federal Register on December 5, 2012) at: [Rule](#)

Read the IRS Questions and Answers about the tax at: [IRS Q & A](#)

**11/30/12 CCIIO issued a status update on the Federally Facilitated Exchange (FFE).** The ACA allows each state the opportunity to establish an Affordable Insurance Exchange to help individuals and small employers purchase affordable health insurance coverage. Coverage through the Exchange will begin in every state on January 1, 2014, with enrollment beginning October 1, 2013. Recognizing that not all states may elect to establish a state-based Exchange by this statutory deadline, the ACA §1321 directs the HHS Secretary to establish and operate an FFE in any state that does not elect to do so, or will not have an operable Exchange for the 2014 coverage year, as determined by January 1, 2013.

**On May 16, 2012, CMS released guidance** describing the agency's approach to implementing an FFE.

Read the guidance at: <http://cciio.cms.gov/resources/files/ffe-guidance-05-16-2012.pdf>

The November FFE status update relates to the following topics: eligibility and enrollment, the data services hub, plan management, Small Business Health Options Program (SHOP) application, financial management and customer support.

A fact sheet about the November update can viewed at: [Fact sheet](#)

**11/30/12 The U.S. Office of Personnel Management (OPM) issued a proposed rule called "Patient Protection and Affordable Care Act; Establishment of the Multi-State Plan Program for the Affordable Insurance Exchanges."** The proposed rule implements the Multi-State Plan Program (MSPP) under ACA §1334 which requires the OPM, which administers the Federal Employees Health Benefits Program (FEHBP), to contract with at least two Multi-State Plans (MSPs).

The MSPP is intended to promote competition in the insurance marketplace and help ensure individuals and small employers have more high quality, affordable health insurance plans from which to choose beginning in 2014. Through contracts with OPM, participating health insurance issuers will offer at least two multi-State plans (MSPs) on each of the Affordable Insurance Exchanges. An MSPP issuer may phase in the States in which it offers coverage over four years, but it must offer MSPs on Exchanges in all States and the District of Columbia by the fourth year in which the MSPP issuer participates in the MSPP. Health insurance issuers who wish to offer MSPs will complete an application. Although the MSPP is a federal program it will offer products through the state-level exchanges. In addition to compliance with the ACA's requirements that apply to all qualified health plans (QHPs), MSP's must also comply with applicable FEHBP requirements and be licensed by the states in which they do business. Under the ACA, OPM will negotiate a contract with each multi-state QHP in order for that plan to be certified for participation in that state's exchange.

Comments are due January 4, 2013.

More information may be found at: <http://www.opm.gov/insure/mspp/index.asp>

Read the fact sheet at: [Fact Sheet](#)

Read the rule (which was published in the Federal Register on December 5, 2012) at:  
<http://www.gpo.gov/fdsys/pkg/FR-2012-12-05/pdf/2012-29118.pdf>

**11/29/12 The IRS/Treasury issued Notice 2012-74 "Branded Prescription Drug Fee; Guidance for the 2013 Fee Year."** Under ACA §9008, the IRS imposes an annual fee on entities engaged in manufacturing or importing branded prescription drugs. Under the requirement, a non-deductible annual flat fee of \$2.3 billion is imposed on the pharmaceutical manufacturing sector. The fee is allocated across the industry according to market share and is not applied to companies with sales of branded pharmaceuticals of \$5 million or less.

This notice provides guidance on the branded prescription drug fee for the 2013 fee year related to various reporting requirements such as the time and manner for notifying covered entities of their preliminary fee calculation, the time and manner for submitting error reports for the dispute resolution process, and the time for notifying covered entities of their final fee calculation.

IRS/Treasury issued proposed regulations which published in the Federal Register on August 18, 2011.

Read the regulations at: [Regulations](#)

Read Notice 2012-74 at: [Notice](#)

Prior guidance can be viewed at [www.healthcare.gov](http://www.healthcare.gov)

## News

**11/27/12 The U.S. Preventive Services Task Force (USPSTF) issued a draft recommendation statement on screening for hepatitis C virus (HCV) infection in adults.** The proposal recommends HCV screening for adults at high risk of infection, including those with any history of intravenous drug use and people who received blood transfusions prior to 1992. In addition, the task force recommended that health care providers consider offering screening for the infection in all adults born between 1945 and 1965.

The USPSTF is an independent panel of non-federal government experts that conduct reviews of scientific evidence of preventive health care services. The USPSTF then develops and publishes recommendations for primary care clinicians and health systems in the form of recommendation statements. As part of their recommendations process, the USPSTF will assign definitions to the services they review based on the certainty that a patient will receive a substantial benefit from receiving the benefit. Services that are graded "A" and "B" are highly recommended and the USPSTF believes there is a high certainty that patient will receive a substantial or moderate benefit. USPSTF is accepting comments on the draft recommendation until December 24, 2012. The Task Force will review all comments as it develops its final recommendation on screening for HCV screening.

Under ACA §1001, all of the recommended services receiving grades of "A" or "B" must be provided without cost-sharing when delivered by an in-network health insurance provider in the plan years (or, in the individual market, policy years) that begin on or after September 23, 2010. The USPSTF has recommended a "B" rating for HCV screening in high risk adults at increased risk infection. In addition, the USPSTF has recommended a "C" rating for HCV screening in people born between 1945 and 1965. However, a "C" recommendation means there's likely only a small benefit for most people and it won't be required as a preventive service under the health care law.

Read the news bulletin on the draft recommendation on HCV screening at: [News Bulletin](#)

Read the factsheet on the draft recommendation on HCV screening at: [Fact Sheet](#)

Read the draft recommendation on HCV screening at: [Draft Recommendation](#)

To comment on the draft recommendation on HCV screening visit: [Comment](#)

Learn more about the USPSTF and the ACA at:

<http://www.healthcare.gov/law/resources/regulations/prevention/taskforce.html>

**11/26/12 The Kaiser Family Foundation issued a report called "The Cost and Coverage Implications of the ACA Medicaid Expansion: National and State-by-State Analysis"** which estimates that if all states fully implement the Medicaid coverage expansion to 138% FPL, an additional 21.3 million people will enroll in Medicaid by 2022.

Kaiser estimates that the federal government will fund most of the increased costs. In fact, Medicaid spending by state agencies will increase by approximately less than 3% or \$76 billion from 2013 to 2022 while federal Medicaid spending will increase by 26% or \$952 billion during the same period. The report explains that Massachusetts is one of 8 states that expect to see savings from the ACA Medicaid expansion. The expected savings is derived from the higher share of costs the federal government will undertake when some of those individuals who are currently eligible for expansion health coverage are enrolled in Medicaid.

Read the Kaiser Family Foundation report at: <http://www.kff.org/medicaid/upload/8384.pdf>

**11/15/12 The Medicaid and CHIP Payment and Access Commission (MACPAC) met to discuss key issues in the Medicaid and CHIP programs**, including delivery system reform, care of dual eligible individuals and to plan for the Commission's research agenda and upcoming reports. MACPAC Commissioners heard an update on the Medicaid primary care physician payment increase under ACA §1202, discussed options related to Medicaid, CHIP and exchange eligibility interactions, and held a meeting session on state Medicaid payment policies for Medicare cost sharing.

MACPAC was established by the Children's Health Insurance Program Reauthorization Act and later expanded and funded through ACA §2801 and §10607. The commission consists of experts, government officials, executives and medical professionals. MACPAC is tasked with reviewing state and federal Medicaid and CHIP access and payment policies and making recommendations to Congress, the HHS Secretary, and the states on a wide range of issues affecting Medicaid and CHIP populations, including health care reform.

View the November meeting agenda at: [Agenda](#)

View the November meeting materials: [Meeting Materials](#)

Learn more about MACPAC at: <http://www.macpac.gov/home>

## EOHHS News

### Notice of Opportunity to Participate in the Duals Demonstration Implementation Council

The Executive Office of Health and Human Services (EOHHS) is seeking individuals to serve on the Implementation Council for the Massachusetts State Demonstration to Integrate Care for Dual Eligible Individuals (Duals Demonstration).

EOHHS wishes to establish and consult a working committee to operate during the Duals Demonstration.

The Implementation Council will play a key role in monitoring access to healthcare and compliance with the Americans with Disabilities Act (ADA), tracking quality of services, providing support and input to EOHHS, and promoting accountability and transparency. The Implementation Council will develop a work plan and meeting agendas. The roles and responsibilities will likely include advising EOHHS; soliciting input from stakeholders; examining ICO quality, reviewing issues raised through the grievances and appeals process and ombudsperson reports, examining access to services (medical, behavioral health, and LTSS), and participating in the development of public education and outreach campaigns.

EOHHS anticipates that the Implementation Council will meet monthly or bimonthly and will hold meetings across Massachusetts from January 2013 through December 2016.

EOHHS seeks individuals, including MassHealth members with disabilities and their family members or guardians, representatives of community-based organizations, representatives of consumer advocacy organizations, union representatives, and providers, representing the diverse communities affected by the Duals Demonstration, to serve on this Implementation Council. At least half of all Implementation Council members will be MassHealth members with disabilities or family members or guardians of MassHealth members with disabilities.

Members are expected to be available to devote the time needed to perform the roles and responsibilities of the Implementation Council, review all meeting materials in advance of meetings, attend and participate in all meetings, participate in the development of work plan deliverables, and provide advice and guidance to EOHHS. Members should possess strong analytic skills, critical reading skills, good interpersonal and communication skills, be a resident of Massachusetts, and not be employed by an Integrated Care Organization.

Interested individuals should submit a completed nomination form and letter of reference by December 17 at 5:00 PM. The nomination form and a frequently asked questions (FAQ) document are available online at [www.mass.gov/masshealth/duals](http://www.mass.gov/masshealth/duals) under Related Information. They will also be posted on the Commonwealth's procurement website, Comm-PASS ([www.comm-pass.com](http://www.comm-pass.com)). Email [Geraldine.Sobkowicz@state.ma.us](mailto:Geraldine.Sobkowicz@state.ma.us) or call Geraldine Sobkowicz at 617-573-1678 if you need the form and FAQ sent to you or would like to request a reasonable accommodation, which may include the information in an alternative format.

## Upcoming Events

### **Integrating Medicare and Medicaid for Dual Eligible Individuals Open Meeting**

December 7, 2012, 10:00 AM - 12:00 PM

One Ashburton Place, 21st Floor, Conference Rooms 1, 2, and 3  
Boston, MA

The purpose of this meeting is to continue discussion on key implementation topics for the Duals Demonstration.

We welcome attendance from all stakeholders and members of the public with interest in the Demonstration. Reasonable accommodations will be made for participants who need assistance. Please send your request for accommodations to Donna Kymalainen at [Donna.Kymalainen@state.ma.us](mailto:Donna.Kymalainen@state.ma.us).

### **Integrating Medicare and Medicaid for Dual Eligible Individuals Quality Metrics Workgroup Meeting**

December 7, 2012, 1:00 PM - 2:30 PM

One Ashburton Place, 21st Floor, Conference Rooms 1, 2, and 3  
Boston, MA

The purpose of this meeting is to continue discussions with stakeholders regarding appropriate quality

metrics for the Duals Demonstration. Stakeholders wishing to participate in a workgroup should RSVP to [duals@state.ma.us](mailto:duals@state.ma.us). Please provide your name and organizational affiliation (if any).

Participants should be prepared to engage in focused discussion and offer constructive input. To ensure a productive working session, we request that organizations identify the best representative to attend the workgroup meeting.

Reasonable accommodations will be made for participants who need assistance. In your RSVP to [duals@state.ma.us](mailto:duals@state.ma.us), please note any request for accommodations.

Bookmark the **Massachusetts National Health Care Reform website** at: <http://mass.gov/nationalhealthreform> to read updates on ACA implementation in Massachusetts.

Remember to check <http://mass.gov/masshealth/duals> for information on the **"Integrating Medicare and Medicaid for Dual Eligible Individuals"** initiative.